

OGC Has Reviewed

SECRET

Acting Chief, Finance Division, SSS
Via: Chief, SSS
Legal Staff

27 January 1950

Claims for Loss of Personal Effects - FRU/FEC Employees.

25X1A 1. Your memorandum of 10 January 1950 forwarded claims from
six employees of this Agency for personal property which was lost
in the course of transportation by Navy vessel from [REDACTED] to [REDACTED] 25X1A
and [REDACTED]. It is not entirely clear whether the loss - which was
the result of pilfering - was attributable to members of the ship's
crew or native stevedores.

2. The file does not clearly show that an "emergency" existed
in relation to the transportation of the property, but I was verbally
informed by the Deputy Chief, FDZ, that it was, in fact, an emergency
move. We see no legal objection to approval of payment of the claim by
the Executive under [REDACTED] 25X1A
It is a matter of policy for the Executive to determine whether or not
he wishes to extend reimbursement under Section 10.3 to cases where the
loss is due to theft or pilferage.

3. It may be of some value in guidance to know the Navy prac-
tice. Under the authority of their statute in 31 U.S.C.A. Section
222 (e), the Secretary of the Navy or his designee is authorized to
pay the claims of military personnel or civilian employees of the
Navy Department for damages to, or loss of, personal property oc-
curring incident to their service, provided the loss is not due to
the negligence or wrongful act of the claimant. Where the Navy as-
sumes custody of the property for purposes of transportation, and some
loss or damage occurs en route, they make reimbursement provided
transportation of the property is duly authorized.

4. Under the provisions of Section 223 d. of Title 31 U.S.C.A.,
which provide for payment by the Navy to persons other than Navy em-
ployees and military personnel, the same general requirements are im-
posed. Although our people were traveling under Navy cover and (pre-
sumably) orders, the Section does not wish to present the claim to the
Navy in view of the security factor.

25X1A 5. There is no legal objection to payment of the claim under
Section 10.3 provided the Executive wishes to accept pilferage or
theft during emergency travel as an acceptable cause of loss. There
is nothing in the [REDACTED] to prohibit his approval.

25X1A

cc: Subject
Chrono
Legal Decisions

25X1A